

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1391-03
Bill No.: Truly Agreed To and Finally Passed CCS for SS for HB 458
Subject: Agriculture and Animals; Boards, Commissions, Committees, Councils;
Agriculture Dept.
Type: Original
Date: June 13, 2011

Bill Summary: This proposal establishes the Missouri Farmland Trust Act to receive donated land to preserve it as farmland and provide beginning farmers an opportunity to farm through low and variable cost leases on the land.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
General Revenue	(Unknown less than \$100,000)	(Unknown less than \$100,000)	(Unknown less than \$100,000)
Total Estimated Net Effect on General Revenue Fund	(Unknown less than \$100,000)	(Unknown less than \$100,000)	(Unknown less than \$100,000)

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 17 pages.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Conservation Commission	(Unknown less than \$100,000)	(Unknown less than \$100,000)	(Unknown less than \$100,000)
Parks, Soil and Water	(Unknown less than \$100,000)	(Unknown less than \$100,000)	(Unknown less than \$100,000)
School District Trust	(Unknown less than \$100,000)	(Unknown less than \$100,000)	(Unknown less than \$100,000)
MO Farmland Trust Fund	(\$2,500)	Unknown Greater than \$3,791 to (\$2,575)	Unknown Greater than \$7,582 to (\$2,652)
Livestock Brands Fund	Unknown	Unknown	Unknown
Total Estimated Net Effect on <u>Other</u> State Funds	Unknown to (Unknown less than \$100,000)	Unknown to (Unknown less than \$100,000)	Unknown to (Unknown less than \$100,000)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2012	FY 2013	FY 2014
Local Government	(Unknown less than \$100,000)	\$0 to Unknown to (Unknown less than \$100,000)	\$0 to Unknown to (Unknown less than \$100,000)

FISCAL ANALYSIS

ASSUMPTION

Section 144.030 - Sales Tax Exemptions for Freight Charges and Certain Farm Equipment

Officials from the **Office of Administration, Division of Budget and Planning (BAP)** assumes this proposal would not result in additional costs or savings to their organization.

BAP officials stated that this proposal would create sales tax exemptions for any freight charges on any exempt item, any costs for fabrication labor in conjunction with the sale of tangible personal property, any accessories for and upgrades to certain farm machinery and equipment, and for rotary mowers used exclusively for agricultural purposes. This proposal would reduce General and Total State Revenues, including education revenues, and local revenues. BAP does not have the necessary data to provide an estimate.

Officials from the **Department of Conservation (MDC)** assume an unknown negative fiscal impact on the Department but assumed greater than \$100,000. The Conservation Sales Tax funds are derived from one-eighth of one percent sales and use tax pursuant to Article IV Section 43 (a) of the Missouri Constitution. Exempting any accessories and upgrades to farm machinery, equipment and rotary mowers used exclusively for agricultural purposes from sales tax will decrease sales tax collected and thus would decrease revenue to the Conservation Sales Tax funds.

Officials from the **Department of Natural Resources (DNR)** assumed this proposal would authorize state and local sales and use tax exemptions for the sale of any accessories and upgrades to farm machinery and equipment, rotary mowers used exclusively for agricultural purposes, freight charges on exempt items, and any costs for fabrication labor in conjunction with the sale of an item.

DNR officials stated that their Parks and Soils Sales Tax Funds are derived from one-tenth of one percent sales and use tax pursuant to the Missouri Constitution. Therefore, any additional sales and use tax exemption would be a loss to the Parks and Soils Sales Tax Funds.

ASSUMPTION (Continued)

Officials from the **Department of Revenue (DOR)** assume this proposal would add sales and use tax exemptions for:

- * any freight charges on any exempt item, and any costs for fabrication labor in conjunction with the sale of tangible personal property, and
- * any accessories for and upgrades to farm machinery and equipment, rotary mowers used exclusively for agricultural purposes.

DOR officials stated, that in FY 2010, total state and local sales tax revenue was approximately \$4.9 billion dollars; the state portion of those collections was approximately \$2.5 billion. DOR estimates that labor as a percentage of sales price could average 4 percent. If fabrication labor is excluded from the sales and use tax base, it could result in a negative impact on Total State Revenue of approximately \$100 million and a negative impact on the General Revenue Fund of approximately \$70 million. The impact related to the other exemptions proposed in this legislation would be minimal.

DOR states, this legislation will reduce state revenues less than \$100,000.

Oversight is not able to determine the revenue reduction which would result from this proposal and will indicate a revenue reduction less than \$100,000 for the General Revenue Fund and for local governments and an unknown revenue reduction less than \$100,000 for other state funds which receive sales and use tax revenues.

Section 262.815 - Missouri Farmland Trust

Officials at the **Department of Agriculture (AGR)** state this proposed legislation allows individuals and entities to donate, gift, or otherwise convey farmland to the Missouri Department of Agriculture for the purpose of preserving the land as farmland and to give new farmers an opportunity to farm by allowing long term, low and variable cost leases.

AGR states lease revenues from participating beginning farmers will be deposited in the state treasury to the credit of the Missouri Farmland Trust Fund.

AGR states, the department will improve, maintain, operate, and regulate any such donated lands to promote agriculture and the general welfare using moneys in the Missouri Farmland Trust Fund. A board, appointed by the Director, will make recommendations to the Director on the appropriate uses of farmland in the trust, criteria to be used to select applicants for the program,

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ASSUMPTION (Continued)

and review and make recommendations regarding applications to lease farmland in the trust. Board members shall serve without financial compensation but, subject to appropriations, may be reimbursed for actual and necessary expenses. Upon appropriation, the department may make payments to counties for the value of land as payment in lieu of real and personal property taxes for privately owned land acquired after 8-28-11.

AGR states, the program will be administered by existing staff. Any program expenses will be paid from lease revenues.

The following assumptions were used to estimate annual program revenues:

Land Donations:

The Department of Conservation has a similar program that receives land donated for conservation purposes. Over the most recent five (5) years, they have received an average of 215 donated acres per year.

Although it is difficult to predict whether or not the Missouri Farmland Trust will receive more or less donated land, for the purposes of this fiscal estimate it is assumed the program will receive average donations of 215 acres per year.

Lease Revenues:

AGR states, recent survey data from the United States Department of Agriculture show the following average rental rates per acre of farmland:

Crop land = \$90 per acre
Pasture land = \$31 per acre

Applying these average rental rates to a typical Missouri farm yields the following revenues:

67% cropland * \$90/acre =	\$60.30 per acre
33% pasture * \$31/acre =	\$10.23 per acre

	\$70.53/acre @ Market Rate

ASSUMPTION (Continued)

AGR states, the program is intended to attract beginning farmers by allowing long term, low and variable leases, this analysis also assumes the lease rate will be only 25% of market rates in the first five years of the program. These assumptions generate the following annual revenues:

Year 1: 215 acres * \$70.53/acre market rate * 0.25 = \$3,791
Year 2: 430 acres * \$70.53/acre market rate * 0.25 = \$7,582
Year 3: 645 acres * \$70.53/acre market rate * 0.25 = \$11,373
Year 4: 860 acres * \$70.53/acre market rate * 0.25 = \$15,164
Year 5: 1,075 acres * \$70.53/acre market rate * 0.25 = \$18,955

AGR states these estimates are only an example of potential revenues. Actual revenues will be determined by farm acreage donated, market lease rates, and policies of the Farmland Trust Advisory Board.

Officials at **Budget and Planning** state, section 262.815 allows the Department of Agriculture to charge an administrative fee for lease application processing under the Missouri Farmland Trust Fund Act. B&P defers to the department for an estimate of any increase such a fee would generate in total state revenue and 18E calculations.

Oversight assumes in FY12 lease revenue will be \$0 as the program will be new and AGR will be in the process of acquiring land to be donated to the “Missouri Farmland Trust”.

Oversight assumes the following annual lease revenues for the “Missouri Farmland Trust Fund”.

Year 1: 0 acres * \$70.53/acre market rate * 0.25 = \$0 to could exceed \$0
Year 2: 215 acres * \$70.53/acre market rate * 0.25 = \$0 to could exceed \$3,791
Year 3: 430 acres * \$70.53/acre market rate * 0.25 = \$0 to could exceed \$7,582
Year 4: 645 acres * \$70.53/acre market rate * 0.25 = \$0 to could exceed \$11,373
Year 5: 860 acres * \$70.53/acre market rate * 0.25 = \$0 to could exceed \$15,164
Year 6: 1,075 acres * \$70.53/acre market rate * 0.25 = \$0 to could exceed \$18,955

Oversight assumes if AGR does not receive land into the “Missouri Farmland Trust” then no lease payments would be received.

Oversight assumes in future fiscal years lease payments will be set to equal the fund costs.

ASSUMPTION (Continued)

Oversight assumes that any administrative or necessary expenses related to this proposal for the “Missouri Farmland Trust Advisory Board” could be paid from revenues received by the “Missouri Farmland Trust Fund” or through existing appropriation.

Sections 263.190, 263.200, 263.220, 263.240 - Noxious Weeds

Officials at the **Department of Natural Resources (DNR)** assumes the proposed legislation seeks to define noxious weed as those designated by rule by the Department of Agriculture.

DNR states, the **Division of State Parks (DSP)** operates 85 parks and historic sites in Missouri. Management of the parks includes controlling noxious weeds. This proposal appears to be trying to bring consistency to the rules governing the control of noxious weeks. This proposal may require additional operating costs for some of our parks if DSP was required to engage in more multiflora or thistle weed control.

DNR assumes, this proposal could impact DSP if we need to engage in more multiflora or thistle control. However, DSP would anticipate any additional costs to be minimal.

Officials at the **Office of Administration - Division of Facilities Maintenance, Design and Construction** assumes it is impossible to estimate the fines associated with noxious weeds left unattended on state owned property, therefore we have estimated the possible cost as zero to a possible excess of \$100,000.

Officials at the **Department of Conservation** assumes the fiscal impact is unknown as costs are dependent upon the cost of chemicals and labor needed to control problem plants and species added to the noxious plant list.

Oversight assumes any fiscal impact associated with this proposal for state agencies and local political subdivisions would be minimal and could be absorbed by the state agency or local political subdivision with existing resources.

Officials at the **Department of Agriculture, and Department of Elementary and Secondary Education** assumed there was no fiscal impact from this proposed legislation..

ASSUMPTION (Continued)

Section 268.121 - Livestock Brand Book

Officials at the **Department of Agriculture (AGR)** assume this proposal removes the requirement that the Department print a livestock brands book and instead requires the list to be available on the internet.

AGR stated, there will be costs associated with making the brand book available on-line and the on-going maintenance and updating of the on-line brand book. However, those costs are not expected to exceed the printing and postage savings associated with this legislation.

AGR stated, the Division of Animal Health has an E&E appropriation to pay printing and postage expenses of the Livestock Brands book from the Livestock Brands Fund.

AGR stated, the department would save the printing and postage costs of the livestock brands book (printed once every 5 years) and the yearly supplements (in years when a new brand book isn't printed).

AGR stated, the livestock brands book is printed once every 5 years. It was last printed in FY10 at a cost of \$8,705. Associated postage costs were \$1,876 in FY10, bringing total costs for printing and postage to \$10,581.

AGR stated, a new livestock brands book will not be printed until FY15. However, an annual supplement to the brands book is printed each year at a cost of approximately 5 percent of the new book. Therefore, only the costs of the supplement ($\$10,581 \times 5\% = \529) will be saved in FY11 through FY14. In FY15 total costs of approximately \$11,000 would be avoided as a result of this legislation.

AGR assumed there will be IT costs associated with moving the document to the internet along with on-going maintenance and update expenses. The exact dollar amount of those costs is unknown but for purposes of this fiscal note they are assumed to not exceed annual savings from not printing the supplement.

AGR stated, livestock brand registration fees and brand book sales revenues are deposited into the Livestock Brands Fund. Those fee revenues are used to pay for the printing and postage costs of this program. Although there will be a reduction in fee revenues due to the on-line availability of the brand book, the Department expects cost savings to offset most if not all of the revenue reductions.

ASSUMPTION (Continued)

Oversight assumes, as a result of this proposal, the Department of Agriculture would experience an unknown savings to the Livestock Brands Fund, related to the Livestock Brands Book and annual supplemental's availability online.

Oversight assumes the majority of the savings related to this proposal will be experienced outside of the fiscal note period in FY15, and every five years thereafter. However, an unknown savings to the Livestock Brands Fund, related to the cost of printing and mailing the annual supplemental, would occur within the fiscal note period.

Sections 276.401 - Missouri Grain Dealers

Officials at the **Department of Agriculture (AGR)** state section 276.401 relates to Grain Dealer Law. The change is being made from \$100,000 DOLLARS to 50,000 BUSHELS, which changes both the quantity and the units. The effect is to increase the dollar amount of grain a person can buy for his own feeding purposes and still be exempt from obtaining a grain dealer license. The change is needed to account for modern grain prices, which are much higher (about 3 times) than they were when the law was originally written. AGR assumes there is no fiscal impact from this proposed legislation.

Oversight assumes there is no fiscal impact related to the refund of fees and Missouri grain dealers.

Sections 276.421, 276.436, 276.441, 411.280 - Grain Dealers and Grain Warehouses

Officials at the **Department of Agriculture** assumed there is no fiscal impact related to this section.

Oversight assumes there is no fiscal impact from this proposed legislation on state or local government funds.

Section 442.014 - Conservation Easements

Officials at the **Department of Natural Resources** state under this proposal, governmental bodies authorized to own land and charitable organizations or trusts would be allowed to hold a conservation easement, which is an easement designed to protect or preserve natural or cultural resources on land. A conservation easement could be created in the same manner as provided in

ASSUMPTION (Continued)

law for other types of easements. The department does not anticipate any direct fiscal impact from this proposal

Officials at the **Office of Administration - Division of Facilities Maintenance, Design and Construction, Department of Agriculture, and Department of Conservation** assumes there is no fiscal impact from this proposed legislation.

Oversight assumes there is no fiscal impact from this proposed legislation on state or local government funds.

Bill as a Whole

Officials from the **Office of the Secretary of State (SOS)** assumed many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the Secretary of State's Office for Administrative Rules is less than \$2,500.

The SOS recognized that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what our office can sustain with our core budget. Therefore, we reserve the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials at the **State Treasurer's Office, Department of Transportation, Department of Corrections, Department of Health and Senior Services, State Public Defender's Office, Missouri Tax Commission, Department of Economic Development Division of Tourism, and Office of State Courts Administrator** assumed there is no fiscal impact from this proposed legislation.

Oversight assumes that the overall impact of this proposal will have an unknown negative impact on state and local revenues.

<u>FISCAL IMPACT - State Government</u>	FY 2012 (10 Mo.)	FY 2013	FY 2014
GENERAL REVENUE FUND			
<u>Revenue Reduction</u> - sales tax exemptions - farm equipment (144.030)	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>
ESTIMATED NET EFFECT OF GENERAL REVENUE FUND	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>	<u>(Unknown than \$100,000)</u>
CONSERVATION COMMISSION FUND			
<u>Revenue Reduction</u> - sales tax exemptions - farm equipment (144.030)	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>
ESTIMATED NET EFFECT ON CONSERVATION COMMISSION FUND	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>
PARKS, SOIL, AND WATER FUND			
<u>Revenue Reduction</u> - sales tax exemptions - farm equipment (144.030)	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>
ESTIMATED NET EFFECT ON PARKS, SOIL, AND WATER FUND	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>
SCHOOL DISTRICT TRUST FUND			
<u>Revenue Reduction</u> - sales tax exemptions - farm equipment (144.030)	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>
ESTIMATED NET EFFECT ON SCHOOL DISTRICT TRUST FUND	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>

MO FARMLAND TRUST FUND

<u>Revenue</u> - Department of Agriculture Lease Payment (262.815)	\$0	\$0 to could exceed \$3,791	\$0 to could exceed \$7,582
<u>Transfer Out</u> - Counties Payment in Lieu of Tax Paid (262.815)	\$0	(\$0 to Unknown)	(\$0 to Unknown)
<u>Cost</u> - Department of Agriculture Board Member Reimbursement (262.815)	<u>(\$2,500)</u>	<u>(\$2,575)</u>	<u>(\$2,652)</u>
ESTIMATED NET EFFECT ON MO FARMLAND TRUST FUND	<u>(\$2,500)</u>	<u>Unknown</u> <u>Greater than</u> <u>\$3,791 to</u> <u>(\$2,575)</u>	<u>Unknown</u> <u>Greater than</u> <u>\$7,582 to</u> <u>(\$2,652)</u>

LIVESTOCK BRANDS FUND

<u>Revenue</u> - Paper Copy Livestock Brands Books Sold (268.121)	Unknown	Unknown	Unknown
<u>Savings</u> - Free Printed Livestock Brands Books Available on Internet (268.121)	Unknown	Unknown	Unknown
<u>Cost</u> - Website Maintenance and Updates (268.121)	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LIVESTOCK BRANDS FUND	<u>Unknown</u>	<u>Unknown</u>	<u>Unknown</u>

<u>FISCAL IMPACT - Local Government</u>	<u>FY 2012</u> <u>(10 Mo.)</u>	<u>FY 2013</u>	<u>FY 2014</u>
LOCAL GOVERNMENTS			
<u>Revenue Reduction</u> - sales tax exemptions (144.030)	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>	<u>(Unknown less than \$100,000)</u>
<u>Transfer In</u> - Counties Payment in lieu of taxes collected (262.815)	<u>\$0</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
ESTIMATED NET EFFECT ON LOCAL GOVERNMENTS	<u>(Unknown less than \$100,000)</u>	<u>\$0 to Unknown to (Unknown less \$100,000)</u>	<u>\$0 to Unknown to (Unknown less \$100,000)</u>

FISCAL IMPACT - Small Business

Direct fiscal impact to small agricultural businesses and farms would be expected as a result of this proposal.

FISCAL DESCRIPTION

Section 144.030 - Sales Tax Exemptions for Freight Charges and Certain Farm Equipment - This bill exempts from state and local sales and use taxes the sale of any accessories and upgrades to farm machinery and equipment, rotary mowers used exclusively for agricultural purposes, freight charges on exempt items, and any costs for fabrication labor in conjunction with the sale of an item.

Section 262.815 - "Missouri Farmland Trust Act" - This bill establishes the Missouri Farmland Trust Act to allow individuals and entities to donate or otherwise convey farmland to the Department of Agriculture to preserve it as farmland and to assist beginning farmers by allowing long-term low and variable cost leases on the land making it affordable for the next generation of farmers to produce food, fiber, and fuel. The Missouri Farmland Trust is implemented to accomplish the following objectives:

- (1) Protecting and preserving Missouri's farmland;
- (2) Linking new generations of prospective farmers with present farmers; and
- (3) Promoting best practices in environmental, livestock, and land stewardship.

FISCAL DESCRIPTION (Continued)

The Missouri Farmland Trust Advisory Board is established within the department to make recommendations to the department director regarding the appropriate uses of farmland in the trust and the criteria for the selection of program participants and to review and make recommendations regarding applications to lease farmland in the trust.

The bill specifies the membership of the board and the terms of its members. The department is authorized to accept or acquire by purchase, lease, donation, or agreement any agricultural lands, easements, or real and personal property including, but not limited to, buildings, structures, improvements, equipment, or facilities subject to preservation and improvement which will be properties of the trust.

The Missouri Farmland Trust Fund is created consisting of gifts, donations, and appropriations by the General Assembly. Moneys in the fund must be used for the administration of the trust and the maintenance, operation, regulation, and improvement of the trust's assets to promote agriculture and its general welfare. Property acquired by the department must be used exclusively for agricultural purposes and must be farmed and maintained using the best environmental, conservation, and stewardship practices as specified by the department. No beginning farmer can lease farmland in the trust for more than 20 years. Any person or entity donating to or leasing land from the department must release the state from any and all claims, actions, or demands that he or she has now or may have in the future for any injury, death, or property damage related to participation in an activity, any acts connected to the activity, and the condition of the property where the activity occurred.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

Section 268.121 - Livestock Brand Book - Currently, the Director of the Department of Agriculture must publish a list of all livestock brands in a book form and send a copy of the book and any supplement to the county recorder of deeds in each county and to each licensed livestock market and slaughter plant in the state. This bill removes this requirement and instead requires the department director to create a list and make it available on a publicly accessible web site. The list must be updated from time to time.

(3) Allows any person who is engaged in a business providing an agritourism activity to register with the Director of the Department of Agriculture. The registration must contain a description of the agritourism activity he or she conducts or intends to conduct and the location where the activity will be conducted;

FISCAL DESCRIPTION (Continued)

(4) Specifies that the registration is for a period of two years and a fee of up to \$100 may be imposed on an applicant to cover the actual administrative costs associated with registration and the placement and maintenance of directional signage;

(5) Requires the department to maintain and make available to the public a list of all registered agritourism operators, the registered agritourism activities conducted by each operator, and the registered agritourism location;

(6) Requires the department to promote and publicize registered agritourism operators, activities, and locations by promoting and encouraging tourism;

(7) Requires every registered agritourism operator to post and maintain signage at the agritourism location which contains a specified warning notice that there is no liability for certain injuries or the death of a participant in a registered agritourism activity;

(8) Specifies that any participant is assuming certain inherent risks when participating in an agritourism activity;

(9) Specifies that a registered agritourism operator is not liable for an injury to or the death of a participant resulting from the inherent risks of agritourism activities if the warning is posted as required unless the injury to the participant was by willful or wanton conduct or the

operator failed to make a dangerous condition known to a participant and the condition resulted in an injury;

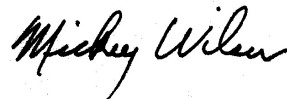
(10) Specifies that the operator has an affirmative defense to liability if the injured person deliberately disregarded conspicuously posted signs, verbal instructions, or other warnings regarding safety measures during the activity or if any equipment, animals, or appliances used by the injured person during the activity were used in a manner or for a purpose other than that for which a reasonable person should have known they were intended; and

(11) Creates the Agritourism Fee Fund consisting of registration fees and moneys appropriated to the fund to be used solely for the placement and maintenance of directional signage and the administration of the provisions of the bill.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Agriculture
Department of Conservation
Department of Corrections
Department of Economic Development
Division of Tourism
Department of Elementary and Secondary Education
Department of Health and Senior Services
Department of Natural Resources
Division of State Parks
Department of Revenue
Department of Transportation
Office of Administration
Division of Facilities Maintenance, Design and Construction
Office of Administration
Division of Budget and Planning
Office of State Courts Administrator
Office of the Secretary of State
Office of the State Treasurer
State Public Defender's Office
State Tax Commission



Mickey Wilson, CPA
Director
June 13, 2011